

MINUTES OF AN ADJOURNED REGULAR MEETING OF
THE CITY COUNCIL, A REGULAR MEETING OF THE REDEVELOPMENT AGENCY
AND A SPECIAL MEETING OF THE PUBLIC FINANCING AUTHORITY
OF THE CITY OF CHULA VISTA

May 20, 2003

6:00 P.M.

An Adjourned Regular Meeting of the City Council, a Regular Meeting of the Redevelopment Agency, and a Special Meeting of the Public Financing Authority of the City of Chula Vista were called to order at 7:01 p.m. in the Council Chambers, located in the Public Services Building, 276 Fourth Avenue, Chula Vista, California.

ROLL CALL

PRESENT: Agency/Authority/Councilmembers Davis, McCann, Rindone, Salas, and Chair/Mayor Padilla

ABSENT: Agency/Authority/Councilmembers: None

ALSO PRESENT: Executive Director/City Manager Rowlands, Agency/Authority/City Attorney Moore, City Clerk Bigelow

ORAL COMMUNICATIONS

There were none.

ACTION ITEMS

1. A. RESOLUTION NO. PFA-6, RESOLUTION OF THE PUBLIC FINANCING AUTHORITY OF THE CITY OF CHULA VISTA APPROVING (1) THE SALE AND DELIVERY OF THE 2003 FINDING CERTIFICATES OF PARTICIPATION (TOWN CENTRE II PARKING PROJECT) IN A PRINCIPAL AMOUNT NOT-TO-EXCEED \$13,000,000 FOR PURPOSES OF REFUNDING THE 1993 TCII PARKING STRUCTURE REFUNDING CERTIFICATES OF PARTICIPATION, 1993 CERTIFICATE OF PARTICIPATION TC II – PARKING STRUCTURE PHASE II, AND THE 1998 CAPITAL LEASE WITH CALEASE PUBLIC FUNDING CORPORATION; AND (2) A LEASE/PURCHASE AGREEMENT WITH THE CITY OF CHULA VISTA, AND CERTAIN OTHER DOCUMENTS, IN CONNECTION HERewith

On February 18, 2003, staff was directed to determine the feasibility of refunding the 1993 TC II Parking Structure Refunding Certificates of Participation, 1993 Certificate of Participation TC II – Parking Structure Phase II, and the 1998 capital lease with CaLease Public Funding Corporation. Based on current market rates, the refinancing of these obligations will result in an estimated savings of \$938,000 to the City and Redevelopment Agency for the 1993 certificates of participation. An additional savings of approximately \$462,000 will be realized by various funding sources, such as the Residential Construction Fund, Development Impact Fee Funds and Sewer Funds due to the refunding of the CaLease capital lease agreement. (Director of Finance/Treasurer)

ACTION ITEMS (Continued)

- B. AGENCY RESOLUTION NO. 1822, RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA APPROVING (1) THE SALE AND DELIVERY OBY THE CHULA VISTA FINANCING AUTHORITY OF THE 2003 REFUNDING CERTIFICATES OF PARTICIPATION (TOWN CENTRE II PARKING PROJECT) IN A PRINCIPAL AMOUNT NOT-TO-EXCEED \$13,000,000; (2) THE REFUNDING OF THE CITY'S 1993 CERTIFICATES OF PARTICIPATION; AND (3) CERTAIN AGENCY ACTIONS AND DOCUMENTS REQUIRED IN CONNECTION THEREWITH
- C. RESOLUTION NO. 2003-210, RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING (1) THE SALE AND DELIVERY BY THE CHULA VISTA FINANCING AUTHORITY OF THE 2003 REFUNDING CERTIFICATES OF PARTICIPATION (TOWN CENTRE II PARKING PROJECT) IN A PRINCIPAL AMOUNT NOT-TO-EXCEED \$13,000,000; (2) THE REFUNDING OF THE CITY'S 1993 CERTIFICATES OF PARTICIPATION; (3) CERTAIN CITY ACTIONS AND DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND (4) APPROPRIATING \$2,250,000 FROM THE GENERAL FUND TO PREPAY THE CALEASE CAPITAL LEASE OBLIGATION WITH REIMBURSEMENT TO FOLLOW OUT OF 2003 CERTIFICATE PROCEEDS

Finance Director Kachadoorian discussed highlights of the refunding proposal.

Senior Assistant City Attorney Googins spoke regarding the fact that the refinancing would have the effect of terminating the operating lease for the Chula Vista Center parking garage; therefore, the garage would no longer be required to be free or open to the public. Staff believed that it would remain free and open to the public anyway under normal operations.

ACTION: Agency/Authority/Councilmember McCann offered Public Financing Authority Resolution No. PFA-6, Agency Resolution No. 1822, and Council Resolution No. 2003-210, headings read, texts waived. The motion carried 5-0.

OTHER BUSINESS

2. DIRECTOR'S REPORTS

There were none.

3. CHAIR/MAYOR REPORTS

There were none.

4. AGENCY/COUNCIL COMMENTS

There were none.

CLOSED SESSION

5. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION
PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)

City/Agency vs. IT Group, Inc., et. Al. [Case No. 02-10118 (MFW)]

No action was taken on this item.

ADJOURNMENT

At 8:00 p.m., Chair/Mayor Padilla adjourned the meeting to an Adjourned Regular Meeting of the Redevelopment Agency on May 27, 2003, at 6:00 p.m., immediately following the City Council meeting.

Susan Bigelow, CMC, City Clerk